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PARK AVENUE TOWER
65 EAST 55TH STREET
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908-563-2700

April 21, 1993

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Compatibility Between Cable Systems and Consumer Electronics Equipment, ET Docket No. 93-7

Dear Mr. Searcy:

Enclosed on behalf of InterMedia Partners, are the original and nine copies of InterMedia's Reply comments in the above-referenced proceeding.

Please address any questions concerning this letter to the undersigned.

Sincerely yours,

Kathryn A. Hutton

KAH/mec
Enclosure

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List A B C D E

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of:	)	
	)	
Implementation of Section 17	)	
of the Cable Television Consumer	)	
Protection and Competition	)	ET Docket No. 93-7
Act of 1992	)	
	)	
Compatibility Between Cable	)	
Systems and Consumer	)	
Electronics Equipment	)	

REPLY COMMENTS OF INTERMEDIA PARTNERS

InterMedia Partners, operator of cable systems serving over 600,000 subscribers in 11 states (InterMedia), hereto respectfully submits its reply comments in response to the Comments of the Electronic Industries Association (EIA)[1] and certain of its members in the above referenced proceeding. For convenience, the responses are grouped into broad categories.

RELATIVE INDUSTRY RESPONSIBILITY

The EIA asserts that the cable television industry is the sole cause of consumer equipment/cable system compatibility problems and urges that:

> *As the Commission makes its own public interest determinations, it should not forget which industry's conduct make this legislation necessary.*[2]

In actuality, as InterMedia pointed out in its filing, the various interface problems have had a number of causes, but have primarily arisen from the independent product and service development in the cable and consumer electronic industries, and from ***the unwillingness of equipment manufacturers to engineer their products adequately for direct connection to cable systems.***

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[1] *Comments of the Consumer Electronics Group of the Electronic Industries Association*, filed in the above proceeding, March 22, 1993, hereafter "EIA Comments".

[2] *EIA Comments*, page 6.

In particular:

- Converters were first required, and are often still required, to compensate for inadequate shielding, tuner range and/or tuner performance in consumer electronics equipment.

- Some customers who wish to access more services than their equipment will tune prefer to rent a converter from a cable operator (or independently acquire it) as an alternative to buying a new TV or VCR.

- Some customers who wish to have equipment features that are not provided on their existing equipment (such as remote tuning or volume control) prefer to rent or buy a converter with those features as an alternative to buying a new TV or VCR.

- Addressable converters have proven the only cost-effective way of delivering a wide range of per-channel and transactional (pay-per-view or PPV) services.

Engineers from the cable industry have and are continuing to develop interim solutions to the interface conflicts with consumer equipment. Examples are: universal remotes; converters with RF bypass; and, dual tuner converters.

Cable engineers have also worked with engineers from the EIA to develop inter-industry standards, including the ANSI/EIA 563 decoder connector, the IS-6 channelization standard and the pending IS-23 equipment specification standard.

In summary, neither the problem nor its solution belongs to either industry alone.

SOLUTIONS TO COMPATIBILITY PROBLEMS

In addressing the immediate causes for the inconveniences outlined in the Act, the EIA asserts that:

> *The basic problem is that commonly available converter boxes allow only one channel through at a time. An additional problem is that they only descramble one channel at a time. The signal is then handed off to the TV or VCR at a standard frequency (usually Channel 3 or 4). This practice of limiting access to a single channel at a time is the principal cause of the inconveniences described in Section 17 of the Cable Act.*[3]

InterMedia agrees with this general assessment. However, the problem is not the scrambling, *per se*, but the presence of the redundant tuner ahead of the customer's

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[3]*EIA Comments*, page 18.

equipment. We believe, therefore, that the long-term solution to the compatibility problem should focus on utilizing all the components contained in consumer equipment that is truly "cable ready." As demonstrated below, there is only one solution that is cost effective, provides adequate security for premium services and is able to handle PPV delivery and other transactional business -- the ANSI/EIA 563 interface.

In contrast, the EIA's suggested solutions are not practical and certainly are not as cost effective as the interface port.

- **TRAPS**

  Traps, while used in many small systems, do not allow operators to offer transactional services such as PPV and entail a high labor cost any changes of service

Obviously, the Commission cannot make current policy based on non-existent technical products.

It is respectfully submitted that none of the EIA's suggested solutions is realistic, judged against any reasonable standards of cost, flexibility, security and future capabilities.

STANDARDIZATION OF CONSUMER EQUIPMENT AND CABLE PERFORMANCE IS THE ONLY LONG-TERM SOLUTION

The cable and consumer equipment compatibility problem can only be solved by adopting complementary standards for both industries. Fortunately, the two industries have made significant progress toward key standards that will provide effective solutions to the compatibility problem.

These standards are:

- EIA IS-6, now being submitted as a full ANSI standard and covers channel identification.

- EIA IS-23, now under negotiation and covers the performance required of equipment connected directly to cable systems.

- ANSI/EIA 563, a released national standard, covers the specifications for a post-tuner Decoder Interface Connector.

The only parameter not completely specified is the maximum frequency of utilization of any specific cable system. InterMedia suggests that manufacturers use the predictions in IS-23 as a guide in designing products and identify their products in a non-ambiguous way as to the maximum cable channel they can directly receive.[5]

The EIA attempts to play down the Decoder Interface Connector as a minor, and failed attempt. First, they try to position it as an incomplete solution:

A complete response can be deferred until there is a specific proposal to

In fact the interface port is a fully released national standard. Not only that, but at least two TV manufacturers included the port in production products and one still offers it on both television sets and VCR's. While deployment of these devices is limited, that is not a reason to dismiss a technically superior solution. Mandatory inclusion on extended-tuning-range equipment and support by all cable systems using addressability will quickly solve the deployment problem. InterMedia will support the deployment of the ANSI/EIA 563 port in all its addressable systems and believes the cable industry will support this solution overall.

The EIA is concerned with the cost that would be added to:

> *. . . every TV or VCR, whether or not the consumer intends to connect those products to cable. These costs may be difficult to recover in an industry where competition is cutthroat and margins are notoriously thin, especially where the consumer does not benefit from the value added.*[7]

This ignores the fact that the consumer electronics industry would be free to build non-extended-range product without the connector and that the consumer can choose whether or not to buy a product that will allow connection to cable. Thus only products intended for connection to cable would have the added cost. ***Most importantly, the total cost for a Decoder Interface connector and the operator-supplied decoder will be less than the cost for a current set-top converter/decoder and certainly will cost far less than either interdiction or mass descrambling.***

The same connector that is specified for the Decoder Interface is supplied on many sets sold in Europe and Japan. Although wired differently for those markets, it is low-cost, similar in function, and manufacturers already have adequate experience with it in production products.

CONCLUSION

The EIA, through its Comments, attempts to place all the blame for consumer interface problems on the cable industry, without recognizing the contribution of inadequately performing consumer electronics products. As remedies, it suggests only those which would:

- Be very costly for consumers.
- Stifle all further innovation in the cable industry.
- Not provide adequate security for cable programming.
- Not provide for a smooth transition to digital compression and HDTV.

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[7] *EIA Comments*, page 33.

InterMedia urges the Commission to adopt solutions which offer the ***least total cost*** approach for both current and future generations of consumer equipment, and which provide